CANADIAN WESTINGHOUSE COMPANY, LIMITED

FOURTEENTH ANNUAL REPORT

DECEMBER 31ST. 1917

DIRECTORS

H. H. WESTINGHOUSE, Chairman of the Board

LIEUT.-COL. PAUL J. MYLER, President

L. A. OSBORNE, Vice-President

T. AHEARN

JOHN F. MILLER

WARREN Y. SOPER

SIR JOHN M. GIBSON, K. C. M. G.

C. F. SISE

COLONEL GUY E. TRIPP

CHARLES A. TERRY

F. A. MERRICK, Vice-President and General Manager

JOHN H. KERR, Secretary

A. R. MILLER, Treasurer

N. S. BRADEN, Manager of Sales

H. M. BOSTWICK, Asst. Manager of Sales

PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

SALES OFFICES

MONTREAL, QUE.	TORONTO, ONT.	WINNIPEG, MAN.
HALIFAX, N. S.	OTTAWA, ONT.	CALGARY, ALTA.
VANCOUVER, B. C.	FORT WILLIAM, ONT.	EDMONTON, ALTA.

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CANADIAN WESTINGHOUSE COMPANY, LIMITED

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DECEMBER 31ST. 1917

The Directors submit herewith the usual certified Balance Sheet of the Company's affairs at the close of the fiscal year ended December 31st, and a statement of the Profit and Loss Account, showing earnings for the year 1917, amounting to $1,011,276.12, from which the sum of $165,000.00 has been written off for general depreciation, leaving net profits of $846,276.12.

The authorized capital stock of the Company was increased by Supplementary Letters Patent dated January 5th, 1917, from $5,000,000.00 to $10,000,000.00. Of this increase the shareholders were offered the privilege of subscribing at par for $1,250,000.00 new shares, in the proportion of one new share for each four shares held, resulting in the paid up capital being increased on March 1st to $6,229,400.00. Co-incident with this offering a dividend of 25% on the then capital stock of $5,000,000.00 was declared payable on March 1st, out of the accumulated surplus earnings of the Company since its inception, covering a period of twelve years.

During the year quarterly dividends at the rate of seven per cent. per annum and an extra dividend of one per cent. were paid on the capital stock of $6,229,400.00, amounting to $498,352.00 leaving a balance of $347,924.12 carried forward to the credit of Profit and Loss Account.

The business aspect of the first half of the past year was a continued activity at high pressure in execution of previously placed orders for war supplies. In the latter portion of the year, with the realization that for reasons entirely apart from the record of successful performance made by the manufacturers of Canada, further allotments on a like scale would not be forthcoming in the immediate future, a general curtailment of operations took place which was the first lull in a continued strain of more than two years.

These circumstances found your Company with a somewhat greater than normal accumulation of orders booked for its standard lines of apparatus, and, with completion of its Munitions work, successful attention was given to expanding output of this regular product.

During the year, in fulfillment of the obligation always assumed by your Company to produce apparatus more efficient and more rugged for the purposes of its clients, notable advances have been made in the Engineering and Constructional features of its products: and as to workmanship, the established high standards have been fully maintained.

In arriving at the ultimate financial results of the year, an accurate and conservative inventory of all materials and products has been made, the prices applied being cost or market price according to which was lower, due allowance being also made for obsolescence.

The operating and directing forces in all departments of the organization have continued in evidence their loyal and efficient services.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST. 1917

GENERAL BALANCE SHEET

ASSETS:—			
CASH		$ 193,468.11	
DOMINION WAR LOAN BONDS, ETC.		405,100.00	
ACCOUNTS AND BILLS RECEIVABLE		2,091,973.27	
PROPERTY AND PLANT			
Hamilton, (includes Air Brake and Electric Properties, Real Estate, Office Buildings, Equipment, etc.)	$2,495,644 10		
Winnipeg, (includes Real Estate and Building for Offices and Warehouse)	57,000.00		
Patents, Rights and Licenses	650,000.00		
	3,202,644.10		
Written off for Depreciation	165,000.00	3,037,644.10	
INVENTORY OF MATERIALS AND PRODUCTS ON HAND, DECEMBER 31st. 1917		3,426,823.97	
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE		100.82	$9,155,110.27
LIABILITIES:—			
CAPITAL STOCK			
Authorized	$10,000,000.00		
Issued		$6,229,400.00	
CURRENT ACCOUNTS PAYABLE		418,860.36	
DIVIDEND NO. 53, PAYABLE JANUARY 2ND. 1918		171,308.50	
CONTRACTS IN PROGRESS		183,925.05	
RESERVE			
For Depreciation of Property and Plant	$500,000.00		
For Inventory Adjustment	100,000.00		
For Insurance Fund Purposes	150,000.00	750,000.00	
PROFIT AND LOSS ACCOUNT		1,401,616.36	$9,155,110.27

PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

BALANCE BROUGHT FORWARD JANUARY 1ST. 1917			$2,303,692.24
DIVIDEND PAID MARCH 1ST. 1917, OUT OF ACCUMULATED EARNINGS			1,250,000.00
			1,053,692.24
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST. 1917			
From Manufacturing Operations		$1,567,199.05	
Administration, Selling and General Expenses, etc., including provision for Doubtful Accounts, Payment of Business Profits War Tax, Subscriptions to Patriotic and Red Cross Funds, etc.		609,913.60	
		957,285.45	
From Interest on Dominion War Loan Bonds		30,238.34	
From Bank Interest and Miscellaneous Earnings		23,752.33	
		1,011,276.12	
LESS:—Written off for Depreciation		165,000.00	
NET EARNINGS		846,276.12	
LESS DIVIDENDS, 1917		498,352.00	347,924.12
BALANCE CARRIED FORWARD JANUARY 1ST. 1918			$1,401,616.36

PAUL J. MYLER,
President

L. A. OSBORNE,
Vice-President

AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st. December, 1917, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

Hamilton, Canada, March 9th. 1918

C. S. SCOTT, F. C. A.,
Auditor